



**CITY OF LODI
COUNCIL COMMUNICATION**

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AGENDA TITLE: Authorize advertisement for bids for polemount and padmount transformers during Fiscal Year 2005-2006

MEETING DATE: May 18, 2005

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council authorize the Electric Utility Department and Finance Department's Purchasing Division to advertise for bids as necessary to meet the Electric Utility Department's requirements for polemount and padmount transformers through the Fiscal Year ending June 30, 2006.

BACKGROUND INFORMATION: On May 21, 2003, the City Council authorized staff to advertise for and receive bids for polemount and padmount transformers as needed during the fiscal years 2003-2005. Council provided similar authorization on June 6, 2001 for the fiscal years 2001-2003.

This action has allowed staff to advertise for bids as requirements have become known, and to receive and evaluate bids without periodically requesting City Council's approval to do so. Staff has then brought to Council the recommendations to award based on the evaluated life-cycle costs as determined from each bid received.

The City Council's previous authorizations also provided for "fast-track" guidelines, allowing the City Manager to award only those transformers needed for particular "fast-track" projects and, at the next regularly scheduled City Council meeting, report to the Council the award and the basis for the award. (Since the 2001 authorization, no "fast-track" awards have been necessary).

It is the recommendation of the Electric Utility Department and the Finance Department's Purchasing Division to continue this procedure through the next fiscal year. Under this procedure, the City Council would authorize advertisement for bids one time, allow equipment specifications to be current with industry standards, retain the authority to award each bid as it is received and evaluated, yet allow the City Manager to act on "fast-track" requirements, with the stipulation that such action be reported to the City Council at the next regularly scheduled Council meeting.

FISCAL IMPACT: Modest cost savings in staff time to prepare one annual authorization request for bidding vs. periodic requests during the year.
Note: Council's approval of this recommendation does not authorize the expenditure of funds at this time; it only provides authorization to advertise for bids as Department needs arise.

FUNDING: Electric Utility Department 2005-2006 Financial Plan and Budget.

Alan N Vallow, Electric Utility Director

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APPROVED:
Blair King, City Manager